



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
PANAMAX BULK AS,

Plaintiff,

-v-

DAMPSKIBSSELSKABET NORDEN AS,

Defendant.
----- x

08 Civ. 8601 (JSR)

ORDER

JED S. RAKOFF, U.S.D.J.

By Order dated November 12, 2009, the Court stayed that portion of its October 19, 2009 Order and Judgment as would permit the release of certain funds being held in the Court Registry Investment System ("CRIS"). This limited stay was to allow for full briefing of plaintiff's motion for reconsideration. That briefing has now been completed. Plaintiff's primary argument is that the case is not controlled by the Second Circuit's recent decision in The Shipping Corporation of India Ltd. v. Jaldhi Overseas Pte Ltd., No. 08-3477 (2d Cir. Oct. 16, 2009) ("Jaldhi"), because the funds in the CRIS account did not originate from an electronic fund transfer ("EFT"). But it is patent that the funds at issue were paid into the CRIS account in order to obtain the release of approximately \$9.5 million in attached EFTs -- EFTs that in effect should not have been attached because, as the Second Circuit has now ruled, Jaldhi is retroactive. Hawknet, Ltd. v. Overseas Shipping Agencies, No. 09-2128 (2d Cir. Nov. 13, 2009). Thus, since deposit of the CRIS funds was the direct result of

the attachment of the EFTs and would not otherwise have occurred, and since it is now clear that the Court lacked jurisdiction to attach the EFTs, the CRIS deposit that was essentially made on the basis of that error should now be released.

Accordingly, the Court hereby denies the motion for reconsideration and lifts its limited stay of the October 19 Order and Judgment.

SO ORDERED.


JED S. RAKOFF, U.S.D.J.

Dated: New York, New York
November 17, 2009